



DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 2001-08  
February 13, 2001  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

# AUDIT REPORT



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

February 2001

[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**The following areas of concern were discovered as a result of an audit conducted by our office of the Department of Revenue, Division of Administration.**

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The Department of Revenue processes all financial accounting activity including budget, purchasing, revenues, and expenditures (on-line) using the Statewide Advantage for Missouri system (SAM II). The significance of the information processed through SAM II requires that controls be in place to adequately restrict access to the system. To provide access control over SAM II, employees are assigned a unique user identification code (user ID). The department is responsible for determining what each user is allowed to do in SAM II, and grants these permissions by assigning specific access rights to each user ID.

During our review of access to the SAM II system, we noted the following concerns:

- The department has not developed criteria for determining who is allowed access to SAM II, the purpose and level of the access, and who determines and grants the access. In addition, there are no policies for documenting and reporting management authorization of new access changes to existing access, or removal of current access, when an employee terminates or transfers.
- The department has not established policies and procedures to periodically review user access to SAM II. Consequently, a listing of SAM II users, user IDs, and access rights for each employee is not maintained. Periodic reviews are necessary for management to determine whether access privileges comply with stated criteria.

Our review of the Technology Services Bureau (TSB) disclosed the following:

- The Technology Services Bureau did not retain documentation showing how charges for the sale of information were determined.
- Information sales accounting duties are not adequately segregated.
- A periodic reconciliation of receipts to the SAM II system is not performed.
- The department understated both revenues and expenditures of the Department of Revenue Information Fund and circumvented the appropriation process by deducting software maintenance service charges from the amount the Technology Services Bureau charged to the provider to purchase motor vehicle information. Credit memos totaling approximately \$10,000 and \$20,000 were issued to the company during the years ended June 30, 2000, and 1999, respectively.

(over)

YELLOW SHEET

The final paycheck for the former department Deputy Director included \$6,000 for administrative leave in addition to his regular salary. The justification provided for this compensation appears to be related to overtime rather than administrative leave. Overtime is not generally granted to executive staff.

The Department of Revenue postage account and meter balances at June 30, 2000 and 1999, exceeded \$1million, which appeared excessive. The department has made no formal calculations of the minimum postage account and meter balances required. Excessive postage balances tie up state funds and result in a loss of interest income.

The performance bonding level of the Investment and Cash Management Office (ICMO) employees may not be adequate. Daily deposits reviewed ranged from \$1.5 to \$8.3 million. Each Investment and Cash Management Office employee is bonded for \$750,000.

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION

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## STATE AUDITOR'S REPORT



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

Honorable Bob Holden, Governor  
and  
Carol Russell Fischer, Director  
Department of Revenue  
and  
Mike Backer, Director  
Division of Administration

We have audited the Department of Revenue, Division of Administration. The scope of this audit included, but was not necessarily limited to, the years ended June 30, 2000 and 1999. The objectives of this audit were to:

1. Review certain internal control procedures and management practices to determine the efficiency and effectiveness of those procedures and practices.
2. Review and evaluate the department's budget and planning process.
3. Review various department programs and expenditures.

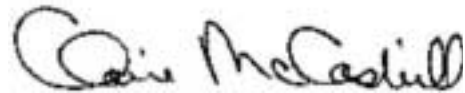
Our audit was conducted in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed the financial and budgetary records, contracts, procedures manuals, and other pertinent procedures and documents, and interviewed various department personnel.

As part of our audit, we assessed the division's management controls to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to management controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Our audit was limited to the specific matters described above and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Statistical Section is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in the audit of the Department of Revenue, Division of Administration.

The accompanying Management Advisory Report presents our findings arising from our audit of the Department of Revenue, Division of Administration.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

September 7, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Kenneth W. Kuster, CPA
Audit Manager:	Peggy Schler, CPA
In-Charge Auditor:	Kimberly Spraggs, CPA
Audit Staff:	Karen Wirtmiller
	David Gregg
	Jeffrey Wilson
	Brittany Ebbert

## MANAGEMENT ADVISORY REPORT SECTION



DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
SUMMARY OF FINDINGS

1. Department of Revenue Information Fund (pages 6-9)

The Technology Services Bureau did not retain documentation showing how the bureau determined its charges for the sale of information. Information sales accounting duties are not adequately segregated and a periodic reconciliation of receipts to the statewide accounting system is not performed. Accounts receivable records are not adequately monitored, and account write-offs and adjustments are not independently approved. In addition, the department understated both revenues and expenditures of the Department of Revenue Information Fund and circumvented the appropriation process by offsetting revenues from a vendor against expenditures to that vendor, by approximately \$10,000 and \$20,000 during the years ended June 30, 2000, and 1999, respectively.

2. Expenditures (pages 9-11)

The duties of processing payments and distributing checks are not adequately segregated. Some expenditures were not supported by documentation of prior approval as required by department policies. Proper approval was not obtained and bid documentation was not retained for relocation expenditures for two employees. There was no documentation to support \$6,000 paid to the retiring department deputy for administrative leave.

3. Postage Expenditures (pages 11-12)

The total department postage account and meter balances exceeded \$1 million, which appeared excessive.

4. Investment and Cash Management Office (ICMO) Procedures (pages 12-13)

The performance bonding level of ICMO employees is not adequate. In addition, the deposit log, indicating receipt of locked bank bags from various state agencies, is not complete for some deposits.

5. Information System Access Controls (pages 13-14)

Security standards documenting the criteria for granting, maintaining, and monitoring access to the Statewide Advantage for Missouri system (SAM II) have not been developed. In addition, user access is not periodically reviewed.

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
MANAGEMENT ADVISORY REPORT-  
STATE AUDITOR'S FINDINGS

<b>1. Department of Revenue Information Fund</b>
--

The Technology Services Bureau (TSB) of the Division of Administration provides information to private companies, government agencies, and the DOR. The TSB charges private companies and some government agencies for the cost of providing information, and deposits monies received into the DOR Information Fund (DORIF). The TSB deposited approximately \$259,000 and \$371,000 into the DORIF during fiscal years 2000 and 1999, respectively. During our review of the TSB, we noted the following areas where improvements are needed:

- A. Documentation supporting billing rates is not maintained. As a result, we were unable to determine the division's justification for the rates charged. In January 1999, the TSB reduced its billing rates, however documentation supporting the reduction of these rates was not retained.

The division should periodically review billing rates and maintain documentation of rate calculations to provide assurance that the charges for providing the information to outside users is reasonable.

- B. The duties of receiving, recording, and depositing receipts; preparing billings; maintaining accounts receivable records; and performing reconciliations are not adequately segregated. Currently, one individual is responsible for all of these accounting functions, with no independent supervisory review.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are accounted for and assets are properly safeguarded. Internal controls could be improved by segregating the duties of preparing billings, receiving and recording receipts, and reconciling accounting records. If proper segregation of duties cannot be achieved, at a minimum there should be a documented independent review of the reconciliations and accounting records.

The lack of a periodic, documented, independent review of the information sales process was also noted by the department's Internal Audit Section in a report issued in May 2000.

- C. All TSB receipts are recorded on a check log when received. The check log is reconciled to a TSB accounting system and a manual spreadsheet of deposits each month; however, there is no reconciliation of the check log and TSB accounting

records to deposits recorded on the Statewide Advantage for Missouri (SAM II) system. Reconciling the check log to deposits recorded on SAM II would provide assurance that all monies received by the TSB are properly deposited.

D. Our review of TSB's accounts receivable records revealed the following:

- 1) The TSB has not established formal procedures to follow in the collection of delinquent accounts receivable. The TSB's payment policy, which is communicated to entities requesting information, requires payment within 30 days of the billing date. As of June 30, 1999, there was \$50,000 due from customers, of which \$26,900 was over 90 days old.

We reviewed nine accounts with outstanding balances at June 30, 1999. Six of these balances have been paid in full as of December 14, 1999; however, payment ranged from 64 days to almost two years from the invoice date. One of these accounts was paid after being turned over to legal counsel, two of the balances were written off as uncollectible by TSB, and one had been turned over to legal counsel, but was uncollected at the time of our review. For each of the accounts reviewed, there was little or no documentation of collection efforts made by the TSB.

Proper follow-up on delinquent accounts is necessary to ensure all charges are collected on a timely basis. In addition, documentation of follow-up procedures taken to collect on delinquent accounts should be maintained.

During October 1999, TSB began sending periodic statements to customers with overdue balances, which has contributed to some improvement in collection of accounts receivable. The total amount due from customers at June 30, 2000 was \$23,500, of which \$5,600 was over 90 days old.

- 2) The TSB has not established formal procedures outlining the criteria or specific procedures to be followed in writing off delinquent accounts deemed as uncollectible.

As noted above, two accounts with receivable balances at June 30, 1999, were written off as uncollectible. In addition, we noted credit adjustments to another account. Explanations of why these accounts receivable were written off and credit adjustments were made were not adequately documented. In addition, authorization from someone independent of the billing function was not documented.

To ensure delinquent accounts are properly handled, the TSB should adopt policies for writing off delinquent accounts. In addition, adequate documentation and independent authorization of all accounts written off should be maintained.

- 3) Some customers have credit balances as a result of overpayments. At June 30, 2000, customer credit balances totaled approximately \$18,400. Several of the credit balances had existed in excess of one year. At the time of our review, the TSB had not investigated or resolved these credit balances. One customer account balance reviewed had a combined credit balance and security deposit totaling \$14,450 that had existed since May 1998. The TSB recently determined that this amount should be returned to the customer.

To ensure accounts receivables are handled properly, the TSB should periodically investigate large credit balances, and return the funds to the customer if necessary.

- E. For over 10 years, the TSB has deducted annual software maintenance service charges from the amount the TSB charges the provider of these services to purchase motor vehicle information. Credit memos totaling approximately \$10,000 and \$20,000 were issued to the company during fiscal years 2000 and 1999, respectively. As a result, the department understated revenues and expenditures of the DORIF, and circumvented the state's appropriation process.

**WE RECOMMEND** the department:

- A. Maintain documentation to support the TSB billing rates for the sale of information and periodically review the rates for adequacy.
- B. Ensure duties are properly segregated.
- C. Periodically reconcile the check log and accounting records with deposits recorded on the SAM II system.
- D.1. Implement formal procedures for the collection of delinquent accounts. In addition, documentation should be maintained of all collection efforts.
  2. Establish a formal policy for write offs and maintain documentation supporting all write offs and adjustments to account balances. In addition, independent approval of write offs and adjustments should be documented.
  3. Periodically investigate and resolve account credit balances.
- E. Transmit all revenues from the sale of information intact to the state treasury for deposit in the DORIF. In addition, expenditures for all items should be paid from appropriated funds instead of netted against revenues.

## **AUDITEE'S RESPONSE**

- A. *We concur with this recommendation. Prior to implementing the price reduction, a detailed cost study was performed to ensure compliance with Section 610.026, RSMo. Due to changes in personnel, the documentation was not retained. The department will continue to perform cost studies to support changes in the pricing structure of information and will retain the documentation.*
- B. *We concur with this recommendation. While the department could not cost-justify segregating the responsibilities, a monthly independent documented review of the reconciliations and accounting records was implemented.*
- C. *We concur with this recommendation. The department has responded to this recommendation and has begun reconciling the check log and TSB accounting records to SAM II on a monthly basis.*
- D.1. *We concur with this recommendation. Although the department has not written formal procedures, TSB has consistently pursued the collection of delinquent accounts receivable since October 1999.*
2. *We concur with this recommendation. Department personnel are currently developing formal procedures for write-offs and adjustments. This will be completed by the end of the current fiscal year.*
3. *We concur with this recommendation. Department personnel are in the process of investigating and refunding large credits to customers.*
- E. *We concur with this recommendation. Action has been taken to remedy this situation.*

<b>2. Expenditures</b>
------------------------

Our review of the expenditures of the DOR disclosed the following:

- A. The account clerks process payments on the Statewide Advantage for Missouri system (SAM II) and also receive and distribute the checks returned by the Office of Administration (OA).

To improve internal control over expenditures, duties, such as initiating payment vouchers and distributing payments, should be properly segregated. This concern was also noted by the department's Internal Audit Section in a report issued in April 1999.

- B. During our review of expenditures, we noted the following concerns related to expenditure approval:

- 1) Several expenditures reviewed were not supported by a purchase requisition. These included purchases such as food, employee training, and moving expenses. DOR's accounts payable policy requires that the division prepare and approve a purchase requisition to initiate a purchase of goods or services.
- 2) Seven of nine employee recognition expenditures reviewed did not include documentation of prior approval by the division director. A purchase requisition had been prepared for one of these expenditures; however, the requisition was not approved by the division director. The department's policy for payment of expenditures for employee recognition and special meeting events requires that such expenditures be approved in advance by the division director.

Failure to prepare a purchase requisition limits the department's ability to monitor and track expenditures. This concern was also noted by the department's Internal Audit Section in a report issued in April 1999.

- C. Prior approval by the division director was not documented for the payment of two relocation expenses totaling \$4,255. The department's policy for payment of relocation expenses requires prior approval from the division director.

In addition, documentation of written estimates from professional moving companies was not maintained for one relocation expenditure noted above. The policy requires three written estimates be obtained when a professional moving company is used. The DOR indicated estimates were obtained from various moving companies, but this documentation has been misplaced. Failure to obtain and retain the necessary and adequate approval documentation limits the department's ability to monitor and control relocation expenditures.

- D. The former department Deputy Director retired effective July 31, 1999. His final paycheck included a \$6,000 payment for 136 hours of administrative leave in addition to his regular salary. The department indicated the administrative leave was granted by the Department Director for additional time worked during the transition period. The justification provided for this compensation appears to be related to overtime rather than a paid leave situation. Overtime compensation is not generally granted to executive staff.

The department did not prepare and maintain adequate documentation to support the payment. Since documentation indicating dates and hours worked was not available, we could not determine if the additional payment was justified. Proper documentation is necessary to support unusual payroll transactions.

**WE RECOMMEND** the department:

- A. Properly segregate the responsibilities of processing expenditures and distributing checks.
- B. Ensure purchase requisitions are prepared and properly approved for all purchases of goods and services.
- C. Obtain prior approval and written estimates from moving companies for relocation expenses in accordance with the employee relocation policy.
- D. Ensure payments to department employees are adequately documented, justified, and in accordance with department policy.

**AUDITEE'S RESPONSE**

- A. *We concur with this recommendation. The department has segregated the duties of initiating and distributing payments to vendors.*
- B. *We concur with this recommendation. The department will make every effort to verify proper procedures are followed and approval is obtained for all procurements. The department will also revise procedures related to special events and food expenditures to mirror existing purchasing policies. These procedures will be revised within six months after the delivery date of this report.*
- C. *We concur with this recommendation. The department will make every effort to verify proper procedures are followed and approval is obtained for all employee relocation payments.*
- D. *We concur with this recommendation. The department will work to ensure payments to department employees are adequately documented, justified, and in accordance with department policy.*

<b>3. Postage Expenditures</b>
--------------------------------

The DOR postage account and meter balances at June 30, 2000 and 1999, exceeded \$1 million, which appeared excessive. The department spent approximately \$7 million for postage during each of the years ended June 30, 2000 and 1999. Most postage is purchased through three postage accounts maintained at the Jefferson City post office and eight postage meters maintained by the DOR. The DOR makes periodic deposits to the postage accounts and the post office charges the accounts to pay various postage costs. Likewise, the DOR periodically purchases postage for the postage meters.

The large balances appear to be due to excessive deposits and purchases made throughout the year. The DOR made deposits to the postage accounts and purchases for the postage meters totaling approximately \$1 million in June 2000; however, only approximately \$411,000 was used in the subsequent month. A similar situation was noted in fiscal year 1999. At June 30, 2000, the department had approximately a three month postage supply on hand based on July usage. The DOR has made no formal calculations of the minimum postage account and meter balances required. Postage usage is projected every three weeks; however, these projections are not always used in making postage account deposits and meter purchases.

Excessive postage balances tie up state funds and result in a loss of interest income.

**WE RECOMMEND** the department maintain reasonable postage account and meter balances.

#### **AUDITEE'S RESPONSE**

*We concur with this recommendation. The department will maintain postage account and meter balances that reflect anticipated needs.*

<b>4. Investment and Cash Management Office Procedures</b>
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The Investment and Cash Management Office (ICMO) receives deposits secured in locked bank bags from various state agencies. Deposits are approved and held by the ICMO before being deposited into the state treasury and various local bank accounts. During our review of the ICMO's depositing procedures, we noted the following:

- A. The performance bonding level of ICMO employees may not be adequate. Each ICMO employee is currently bonded for \$750,000. In a report issued August 7, 1998, the department's Internal Audit Section noted that the bonding level was not sufficient. The bonding level at that time was \$500,000 and was increased to the current level for all state employees by the Office of Administration (OA), Risk Management in October 1999. Although the bonding level has been increased, it appears the amount is still not sufficient to cover monies handled by the ICMO staff. Our review of selected deposits noted daily deposits handled by ICMO ranging from \$1.5 to \$8.3 million. The department, along with OA, Risk Management should evaluate the adequacy of the bond coverage and, if necessary, perform a cost benefit analysis of obtaining additional bonding.

Failure to adequately bond all persons with access to assets exposes the state to risk of loss.

- B. Upon transmittal of deposits to the ICMO, state agency delivery personnel complete and sign a deposit log documenting the date, deposit amount, and composition of the deposit. During our review of 40 deposits transmitted to the ICMO during the year



ended June 30, 2000, we noted the deposit log had not been signed by agency delivery personnel for seven deposits, although in each case the deposit information had been documented on the log.

Since the ICMO does not provide a receipt to the state agency, the signature on the deposit log is the only documentation of the transmittal of the deposit bank bag to the ICMO. Proper controls over state assets should include documentation of the possession of the bank bag during all phases of the depositing process.

**WE RECOMMEND** the department:

- A. Contact the Office of Administration, Risk Management to re-evaluate the performance bonding level of ICMO staff.
- B. Ensure the deposit log is signed by delivery personnel for each deposit received by ICMO.

**AUDITEE'S RESPONSE**

- A. *We concur with this recommendation. The department will contact the Office of Administration, Risk Management, to re-evaluate Investment and Cash Management Office (ICMO) performance bonding levels within one month after the delivery date of this report.*
- B. *We concur with this recommendation. The department will ensure that delivery personnel sign the deposit log for each deposit received by ICMO.*

<b>5. Information System Access Controls</b>
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The DOR processes all financial accounting activity including budget, purchasing, revenues, and expenditures (on-line) using the Statewide Advantage for Missouri system (SAM II). The SAM II system includes over 570 on-line screens for data entry, inquiry, or modification. The significance of the information processed through SAM II requires that controls be in place to adequately restrict access to the system. To provide access control over SAM II, employees are assigned a unique user identification code (user ID). The DOR is responsible for determining what each user is allowed to do in SAM II, and grants these permissions by assigning specific access rights to each user ID. This control technique provides a method to limit employees' access rights, including data entry and document approval capabilities, to only functional areas of SAM II that are necessary for the employees to perform their assigned job duties. Therefore, controls over the issuance and maintenance of user IDs and access rights are critical to the effectiveness of system access controls.

During our review of access to the SAM II system, we noted the following concerns:

- A. The DOR has not developed criteria for determining who is allowed access to SAM II, the purpose and level of the access, and who determines and grants the access. In addition, there are no policies for documenting and reporting management authorization of new access, changes to existing access, or removal of current access, when an employee terminates or transfers. As a result, assurance is lacking that management properly authorized employee access and that employees' access is limited to appropriate SAM II data.

Security standards to document the criteria to be used in granting and maintaining access to SAM II represent the minimum control standards that should be in place to ensure that the DOR can safeguard its information assets and properly record authorized transactions. This is the first step and a key concept in the development of an adequate security architecture.

- B. The DOR has not established policies and procedures to periodically review user access to SAM II. Consequently, a listing of SAM II users, user IDs, and access rights for each employee is not maintained. As a result, management does not have an adequate method to periodically review user access rights. Periodic reviews are necessary for management to determine whether access privileges comply with stated criteria.

**WE RECOMMEND** the department:

- A. Develop security standards to document the criteria to be followed for granting, maintaining, and monitoring access to SAM II.
- B. Establish policies and procedures for periodically reviewing SAM II user access rights to ensure the rights comply with stated criteria.

**AUDITEE'S RESPONSE**

- A. *We concur with this recommendation. The department will develop security standards for granting, maintaining, and monitoring access to SAM II within six months after the delivery date of this report.*
- B. *We concur with this recommendation. The department will establish policies and procedures to periodically review SAM II user access rights within six months after the delivery date of this report.*

This report is intended for the information of the Department of Revenue, Division of Administration's management and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

## STATISTICAL SECTION

History, Organization, and  
Statistical Information

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION

The Department of Revenue was created by Article IV, Section 12 of the Missouri Constitution as the central collection agency for state revenues. The Department of Revenue is also responsible for:

- 1) Administering and collecting state taxes;
- 2) Collecting certain taxes for local governments;
- 3) Titling and licensing motor vehicles, trailers, and boats; and
- 4) Licensing motor vehicle operators.

The Director of Revenue is responsible for all operations and policies of the department and is appointed by the Governor, with the consent of the Senate. On March 9, 1998, Quentin Wilson was appointed to the position of Director of Revenue. Effective January 9, 2001, Carol Russell Fischer was appointed as the Acting Director of Revenue.

The general counsel provides legal advice to the Director of Revenue, division directors, and other personnel within the department. Attorneys in the general counsel's office represent the department in the various courts and administrative tribunals in tax, drivers license, bankruptcy, personnel, and collection matters. On June 8, 1998, Carole Iles accepted the position of General Counsel.

The Division of Administration provides coordinated services to the divisions of Taxation and Motor Vehicle and Drivers Licensing and the Highway Reciprocity Commission in the following areas:

- 1) Budget;
- 2) Internal Audit;
- 3) Criminal and civil, internal and external investigations;
- 4) Accounting and purchasing;
- 5) Central stores and warehouse;
- 6) Computer security and e-commerce consultation;
- 7) Technical support, equipment maintenance, database administration, production control and information sales;
- 8) New automated system development and maintenance of existing departmental systems;
- 9) Archives for nonpermanent records;
- 10) Facilities management;
- 11) Vehicles;
- 12) Delivery services;
- 13) Mailroom;
- 14) Safety and telecommunications;
- 15) Receipt and deposit of state and nonstate funds;
- 16) Investment and cash management of nonstate funds;
- 17) Personnel;

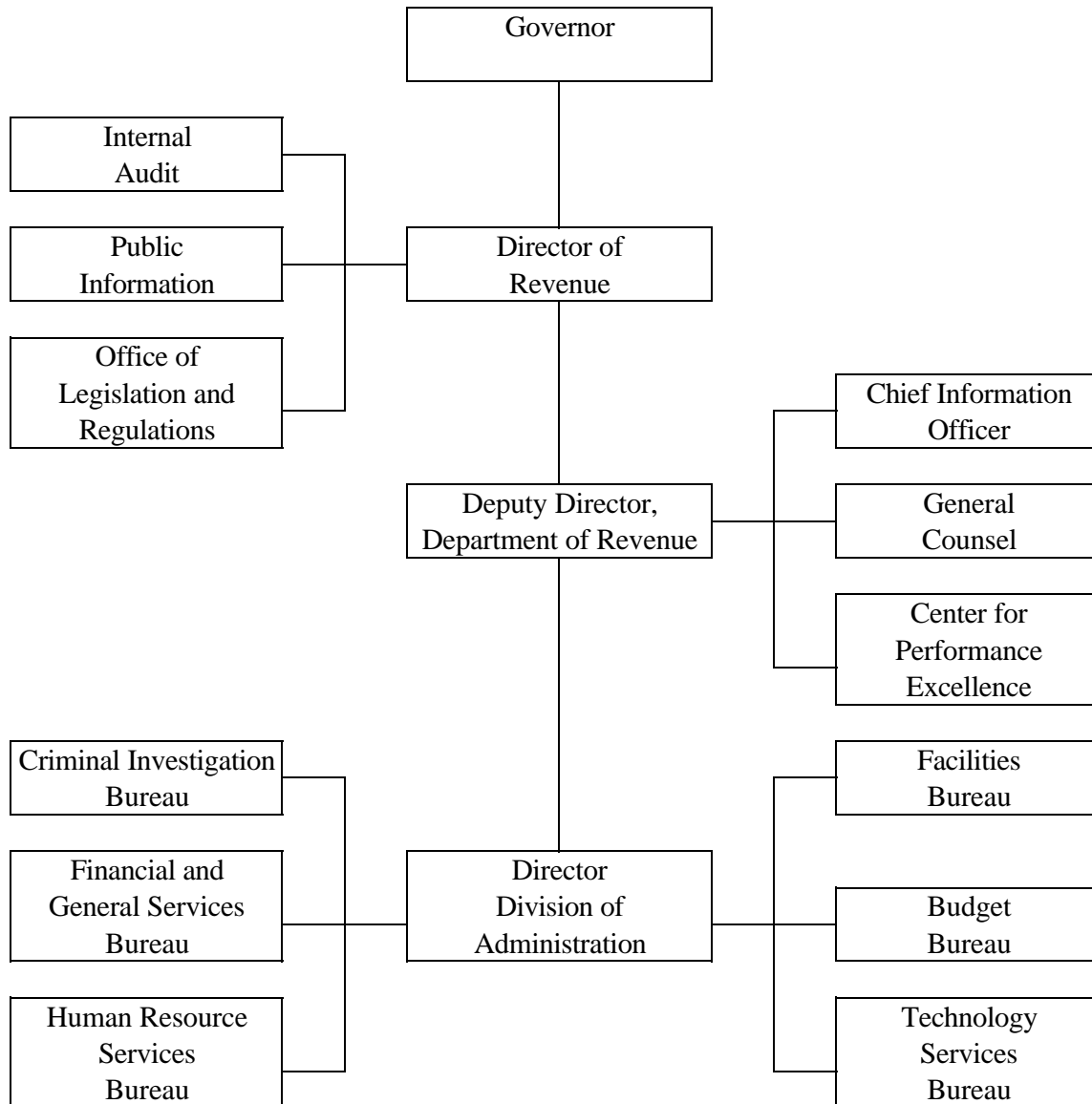
- 18) Payroll;
- 19) Human Relations;
- 20) Internal consultation and team facilitation;
- 21) Customer excellence, training; and
- 22) Affirmative Action.

Mike Backer has held the position of Director of Administration since June 28, 1993.

At June 30, 2000, the Department of Revenue had 1,850 employees, of which 242 were employed within the Division of Administration.

An organization chart follows:

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
ORGANIZATION CHART  
JUNE 30, 2000



## Appendix A-1

DEPARTMENT OF REVENUE  
 DIVISION OF ADMINISTRATION  
 STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
 YEAR ENDED JUNE 30, 2000

	Appropriations	Expenditures	Lapsed Balances
<b>GENERAL REVENUE FUND - STATE</b>			
Administration:			
Postage	\$ 4,024,793	3,898,633	126,160
Personal service	3,897,494	3,776,799	120,695
Expense and equipment	1,049,314	998,872	50,442
Motor Vehicle and Drivers Licensing:			
Personal service	229,272	222,109	7,163
Expense and equipment	91,080	88,348	2,732
Motor Vehicle and Drivers Licensing Branch Offices:			
Personal service	117,955	117,955	0
Expense and equipment	10,021	10,021	0
Taxation:			
Personal service	24,137,726	23,526,806	610,920
Expense and equipment	7,350,454	7,196,672	153,782
Payment of dues and fees to the Multistate Tax Commission	194,092	194,092	0
Total General Revenue Fund - State	41,102,201	40,030,307	1,071,894
<b>DEPARTMENT OF REVENUE - FEDERAL FUND</b>			
Administration expense and equipment	70,000	37,031	32,969
Motor Vehicle and Drivers Licensing:			
Personal service	158,782	0	158,782
Expense and equipment	398,925	0	398,925
Total Federal Fund	627,707	37,031	590,676
<b>HEALTH INITIATIVES FUND</b>			
Administration postage	4,350	4,042	308
Taxation:			
Personal service	38,673	38,673	0
Expense and equipment	4,365	4,342	23
Total Health Initiatives Fund	47,388	47,057	331
<b>DIVISION OF AGING - ELDERLY HOME DELIVERED MEALS TRUST FUND</b>			
Administration expense and equipment	10,800	10,800	0
Taxation personal service	10,041	10,041	0
Total Division of Aging - Elderly Home Delivered Meals Trust Fund	20,841	20,841	0



Appendix A-1

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
YEAR ENDED JUNE 30, 2000

	Appropriations	Expenditures	Lapsed Balances
PETROLEUM STORAGE TANK INSURANCE FUND			
Taxation:			
Personal service	20,957	20,957	0
Expense and equipment	1,110	1,068	42
Total Petroleum Storage Tank Insurance Fund	22,067	22,025	42
MOTOR VEHICLE COMMISSION FUND			
Administration:			
Personal service	66,930	66,267	663
Expense and equipment	29,636	29,636	0
Motor Vehicle and Drivers Licensing:			
Personal service	233,821	233,234	587
Expense and equipment	318,760	318,760	0
Total Motor Vehicle Commission Fund	649,147	647,897	1,250
CONSERVATION COMMISSION FUND			
Taxation:			
Personal service	427,577	427,577	0
Expense and equipment	49,013	46,059	2,954
Total Conservation Commission Fund	476,590	473,636	2,954
DEPARTMENT OF REVENUE INFORMATION FUND			
Administration:			
Postage	158,731	158,731	0
Personal service	162,791	162,791	0
Expense and equipment	125,550	125,550	0
Motor Vehicle and Drivers Licensing:			
Personal service	228,299	227,299	1,001
Expense and equipment	230,871	230,871	0
Total Department Of Revenue Information Fund	906,242	905,241	1,001
HIGHWAY DEPARTMENT FUND			
Fees for entry of records into the federal commercial driver's license information system - expense and equipment	275,000	267,333	7,667
Attorney fees	15,000	1,781	13,219
Administration:			
Postage	3,815,344	3,700,386	114,958
Personal service	4,758,878	4,614,245	144,633
Expense and equipment	1,686,735	1,637,697	49,038

## Appendix A-1

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
YEAR ENDED JUNE 30, 2000

	Appropriations	Expenditures	Lapsed Balances
Motor Vehicle and Drivers Licensing:			
Personal service	13,059,289	12,672,341	386,948
Expense and equipment	11,466,999	11,084,341	382,658
Implementation of a problem driver pointer system - expense and equipment	180,500	137,072	43,428
Expense and equipment	1,863,006	0	1,863,006 (1)
Motor Vehicle and Drivers Licensing Branch Offices:			
Personal service	4,253,401	4,253,401	0
Expense and equipment	363,556	361,523	2,033
Taxation:			
Personal service	1,987,997	1,483,625	504,372
Expense and equipment	1,245,088	1,138,078	107,010
Total Highway Department Fund	44,970,793	41,351,823	3,618,970
PETROLEUM INSPECTION FUND			
Taxation:			
Personal service	26,180	26,180	0
Expense and equipment	2,949	2,871	78
Total Petroleum Inspection Fund	29,129	29,051	78
Total All Funds	\$ 88,852,105	83,564,909	5,287,196

(1) Biennial appropriations set up in the current fiscal year are re-appropriations to the next year. After the June month-end processing has been completed, the unexpended appropriation balance for a biennial appropriation is established in the new fiscal year. Therefore, there is no lapsed balance for a biennial appropriation at the end of the first year.

Appendix A-2

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
YEAR ENDED JUNE 30, 1999

	Appropriations	Expenditures	Lapsed Balances
<b>GENERAL REVENUE FUND - STATE</b>			
Administration:			
Postage - expense and equipment	\$ 3,800,243	3,679,284	120,959
Personal service	3,418,578	3,408,533	10,045
Expense and equipment	1,716,903	1,654,388	62,515
Information Systems:			
Personal service	981,821	905,722	76,099
Expense and equipment	225,821	131,147	94,674
Motor Vehicle and Drivers Licensing:			
Personal service	286,532	270,064	16,469
Expense and equipment	91,080	88,348	2,732
Motor Vehicle and Drivers Licensing Branch Offices:			
Personal service	134,087	125,771	8,316
Expense and equipment	10,021	10,021	0
Taxation:			
Personal service	22,152,238	21,509,625	642,613
Expense and equipment	6,499,705	6,300,019	199,686
Payment of dues and fees to the Multistate Tax Commission	194,092	194,092	0
Total General Revenue Fund - State	39,511,121	38,277,013	1,234,108
<b>DEPARTMENT OF REVENUE - FEDERAL FUND</b>			
Administration expense and equipment	70,000	25,670	44,330
Motor Vehicle and Drivers Licensing:			
Personal service	151,598	2,978	148,620
Expense and equipment	398,925	9,376	389,549
Total Federal Fund	620,523	38,024	582,499
<b>HEALTH INITIATIVES FUND</b>			
Administration postage - expense and equipment	4,350	3,795	555
Taxation:			
Personal service	36,881	36,881	0
Expense and equipment	4,365	4,365	0
Total Health Initiatives Fund	45,596	45,041	555
<b>DIVISION OF AGING - ELDERLY HOME DELIVERED MEALS TRUST FUND</b>			
Information Systems expense and equipment	10,800	10,800	0
Taxation personal service	9,575	9,575	0
Total Division of Aging - Elderly Home Delivered Meals Trust Fund	20,375	20,375	0

Appendix A-2

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
YEAR ENDED JUNE 30, 1999

	Appropriations	Expenditures	Lapsed Balances
UNDERGROUND STORAGE TANK INSURANCE FUND			
Administration expense and equipment	540	455	85
Taxation:			
Personal service	19,985	19,985	0
Expense and equipment	570	570	0
Total Underground Storage Tank Insurance Fund	21,095	21,010	85
MOTOR VEHICLE COMMISSION FUND			
Administration:			
Personal service	31,253	31,128	125
Expense and equipment	26,476	26,476	0
Motor Vehicle and Drivers Licensing:			
Personal service	223,805	206,198	17,607
Expense and equipment	307,284	307,281	3
Total Motor Vehicle Commission Fund	588,818	571,083	17,735
CONSERVATION COMMISSION FUND			
Taxation:			
Personal service	407,758	290,770	116,988
Expense and equipment	49,013	49,013	0
Total Conservation Commission Fund	456,771	339,783	116,988
DEPARTMENT OF REVENUE INFORMATION FUND			
Administration:			
Postage - expense and equipment	158,731	157,726	1,005
Personal service	126,496	84,268	42,228
Expense and equipment	278,466	271,236	7,230
Information Systems:			
Personal service	29,218	29,218	0
Expense and equipment	1,005	1,005	0
Motor Vehicle and Drivers Licensing:			
Personal service	217,969	215,722	2,247
Expense and equipment	76,950	76,950	0
Total Department of Revenue Information Fund	888,835	836,125	52,710

## Appendix A-2

DEPARTMENT OF REVENUE  
DIVISION OF ADMINISTRATION  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
YEAR ENDED JUNE 30, 1999

	Appropriations	Expenditures	Lapsed Balances
<b>HIGHWAY DEPARTMENT FUND</b>			
Fees for entry of records into the federal commercial driver's license information system - expense and equipment	250,000	225,154	24,846
Administration:			
Postage - expense and equipment	3,464,746	3,359,943	104,803
Personal service	4,101,734	4,084,426	17,308
Expense and equipment	2,207,859	2,173,061	34,798
Information Systems:			
Personal service	880,009	874,820	5,189
Expense and equipment	221,396	117,780	103,616
Motor Vehicle and Drivers Licensing:			
Personal service	12,048,270	11,723,226	325,044
Expense and equipment	10,520,797	10,276,000	244,797
Implementation of a problem driver pointer system - expense and equipment	480,500	141,634	0
Expense and equipment	1,863,006	0	1,863,006
Motor Vehicle and Drivers Licensing Branch Offices:			
Personal service	4,032,464	4,009,307	23,157
Expense and equipment	260,282	260,245	37
Taxation:			
Personal service	2,013,780	1,936,104	77,676
Expense and equipment	273,435	263,649	9,786
Total Highway Department Fund	42,618,278	39,445,349	3,172,929
<b>PETROLEUM INSPECTION FUND</b>			
Administration expense and equipment	2,160	875	1,285
Taxation:			
Personal service	24,966	23,996	970
Expense and equipment	789	789	0
Total Petroleum Inspection Fund	27,915	25,660	2,255
Total All Funds	84,799,327	79,619,463	5,179,864

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